



STATE OF DELAWARE

PUBLIC SERVICE COMMISSION

861 SILVER LAKE BLVD.
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

TELEPHONE:

(302) 736-7500


FAX:

(302) 739-4849

March 18, 2015

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Toni Loper, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF BLUE & SILVER ENERGY CONSULTING, LLC
d/b/a PRO-STAR ENERGY SERVICES FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY
SERVICES WITHIN THE STATE OF DELAWARE (SUBMITTED OCTOBER 15, 2014; FILED
MARCH 2, 2015) - PSC DOCKET No. 14-0468

Background

On March 2, 2015, Blue & Silver Energy Consulting, LLC d/b/a Pro-Star Energy Services ("Pro-Star" or the "Company") filed an application (the "Application") with the Delaware Public Service Commission ("Commission") for an Electric Supplier Certificate ("ESC") to act as a Broker in the State of Delaware pursuant to §1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §1001 - §1020 (the "Act") and 26 *Del. Admin. C.* §3001, the Commission's Rules for Certification and Regulation of Electric Suppliers (the "Supplier Rules").¹

Application

The Company's original filing was submitted October 15, 2014; the submitted Application did not meet the minimum filing requirements (MFR's). Staff requested the Company file additional documentation and requested that the Company provide the following information: a) relevant operational experience for each principal officer responsible for Delaware operations, b) consent to jurisdiction of Delaware courts for acts or omissions arising from the Company's activities in the State, and e) provide a signed sworn verification by principal or agent of the Applicant verifying that the information contained in the supplemental filings is true and correct. Follow-up documentation was received, but after further review Staff determined that the documentation provided to support operational experience was deficient and requested a detailed professional resume of each principal officer from the Company. The Company submitted the requested information which satisfied the MFR's.

¹ Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

Review and Analysis

Authority to do Business in Delaware

The Company is incorporated and formed under the laws of Texas and has provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of Delaware.

Resident Agent

The Company lists National Corporate Research based in Dover, DE as its Resident Agent.

Compliance with Regional Requirements

The Company affirms in its Application that it will only present electricity supply contracts to its customers from Marketers/Electric Suppliers who are in compliance with all applicable PJM requirements.

Financial, Operational, Managerial and Technical Ability

The Company provided the confidential financial statements for Blue & Silver Energy Consulting as indicia of financial capability under Section 2.1.1.5.1 of the Supplier Rules. Staff believes that the confidential financial statements show substantial evidence of the Applicant's financial ability to provide services as a Broker in the State of Delaware.

The Company anticipates acting as a Broker serving commercial and industrial customers for the sale or purchase of electricity throughout the State of Delaware. The Application states that the Company currently offers service in California, Connecticut, Illinois, Maine, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio, and Pennsylvania, and has applications pending in the District of Columbia, Oregon, and Rhode Island. Staff has confirmed that the Company is licensed in those states by conducting an internet search of the Secretary of States Websites for the states listed. The Application states that the Company has not been denied approval nor had its authority revoked by any state commission. Staff believes that this information shows substantial evidence of the Applicant's operational ability to provide services as a Broker in the State of Delaware.

The Application included a summary of the key operating personnel of the Company. Mr. Brian Letbetter, President, has over 25 years' experience in the energy industry. His experience includes work in the energy industry where his responsibilities included overall leadership of systems and process, management of Direct Energy's State-wide offices and employees, managing the entry process of transitioning from regulated to a deregulated environment, including product design, contract creation, and system installation. He held positions with several other energy market companies where his work experience includes positions such as Senior Director of Commercial and Industrial Sales for ERCOT-TX, staffing and managing account executives, as well as facilitating the execution of the first deregulated contract in Texas. Mr. Steve Teaff, Vice President of Business Development, has over 14 years' experience in the energy industry. His experience includes responsibility for staffing, training, operational efficiencies, and other duties for the TASB Aggregation Pool as the Director of Commercial Industrial Sales and Operations. He has also held positions where his responsibilities included creating pricing products, contract terms and conditions, and operational platforms in the energy industry. The Company also supplied resumes for several other key personnel in support of the Application. Staff performed an internet review of the Company and its key operating personnel. The search did not

reveal any issues. Staff believes that this information shows substantial evidence of the Applicant's managerial and technical ability to provide services as a Broker in the State of Delaware.

Staff believes that the Company has demonstrated substantial evidence that it has the operational, managerial and technical abilities to perform as a Broker.

Surety Bond

The Company did not post a surety bond because it is a Broker only and there are no service agreements between the Company and any Delaware Electric Distribution Company. The Company will not collect any fees or deposits from any of its customers for any of its brokerage services.

Verification of Application

The Application was verified in a signed, sworn verification letter by Mr. Letbetter, President.

Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

Contracts

The Company also did not provide any sample contracts for commercial or industrial customers because it is a Broker only and does not and will not have contracts with Retail Electric Customers to provide Electric Supply Service.

Statement of Criminal Activity

The Applicant stated in the Application that they have not been charged or convicted of any criminal activity nor have any of its principals or corporation officers. The Applicant has no affiliated interests. An internet review of the Company and its principals revealed no outstanding issues.

Legal Review

On March 19, 2015, following Staff's completed review and analysis of the Application, Staff forwarded its final analysis to the assigned attorney to confirm that all required documentation requested and received from the Company was in compliance with Delaware Law and the Supplier Rules and Regulations.

Staff Recommendation

Based on Staff's review of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. The Company resolved all outstanding issues with Staff and the completed Application supports the Company's request for certification. Staff's review and analysis of the Application submitted by the Company demonstrates substantial evidence of capability to render service as a Broker based on the Company's financial, operational, managerial and technical abilities. Therefore, Staff recommends the Commission approve the Application.